

REQUIRES MONITORING
OR STAFF ACTION_____

COMMISSION DIRECTIVE

ADMINISTRATIVE DEPT. _____

DATE June 2, 2004

TRANSPORTATION DEPT. _____

DOCKET NO. 2000-366-A

UTILITIES DEPT. XXX

ORDER NO. _____

SUBJECT:

DOCKET NO. 2000-366-A – Chem-Nuclear Systems, LLC. – Application for adjustment in the levels of allowable costs and for identification of allowable costs for fiscal year 2003-2004. Hearing held: April 7, 2004. Order deadline: June 30, 2004. This matter is ready for final disposition.

COMMISSION ACTION:

Ordered that:

1. The Commission adopts Staff's accounting adjustments, except that the Commission grants the Company's request for \$123,698 as reimbursement for the remaining cost of the Operating Efficiency Plan. The Commission specifically grants Staff's reduction to direct materials in the amount of \$26,354 and Staff's adjustment to direct labor.
2. With regard to the skid, the Commission finds that there is insufficient evidence in the record to support a 50-50 split of the \$382,495 cost of the skid. The record does not allow the Commission to determine what portion of the total cost of the skid is to be allocated to Chem Nuclear Systems. Lacking this supporting evidence, the Commission has no choice but to deny its inclusion as a cost.
3. The Commission approves Chem Nuclear Systems use of the Cost Point Accounting System.
4. The Commission finds that total direct, indirect, vault, trench amortization costs and operating rights for the fiscal year ending June 30, 2003 total \$9,682,084.
5. That total direct fixed costs are \$1,294,160 for the period ending June 30, 2004. Total indirect fixed costs are \$3,347,663. Total fixed costs qualifying for operating margin treatment are \$4,641,823. Total costs including operating rights of \$625,000 are \$5,266,823. Irregular costs as of the hearing date are \$1,781,870. Total fixed and irregular costs for the period ending June 30, 2004 are \$7,048,693.
6. The variable cost rates for the period ending June 30, 2004 are as follows:
 - Class A Waste - \$22.83 per cubic foot
 - Class B Waste - \$23.78 per cubic foot
 - Class C Waste - \$23.57 per cubic foot
 - Slit Trench Waste - \$91.04 per cubic foot
 - Vault Labor Rate - \$82.47 per vault
 - A, B, C Waste Labor Rate - \$882.86 per total shipments less split shipments
 - Slit Trench Labor Rate - \$5,289.12 per total horizontal shipments
 - Waste Acceptance Labor Rate - \$257.86 per total shipments
 - Trench Record Labor Rate - \$51.65 per containers
7. The Key Manager and Employee Compensation plan shall be continued.
8. Chem Nuclear Systems shall continue to submit monthly reports of variable cost data to the Commission as required by Order No. 2001-499.

PRESIDING ClyburnCLYBURN YesFLEMING YesHAMILTON YesHOWARD YesMITCHELL YesMOSELEY YesWRIGHT Motion**REGULAR SESSION X****SPECIAL SESSION****TIME OF SESSION 10:30AM**APPROVED APPROVED STC 30 DAYS ACCEPTED FOR FILING DENIED AMENDED TRANSFERRED SUSPENDED CANCELED SET FOR HEARING ADVISED CARRIED OVER RECORDED BY P. D. Riley